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GENERAL MAXIMS IN TRADE
1713

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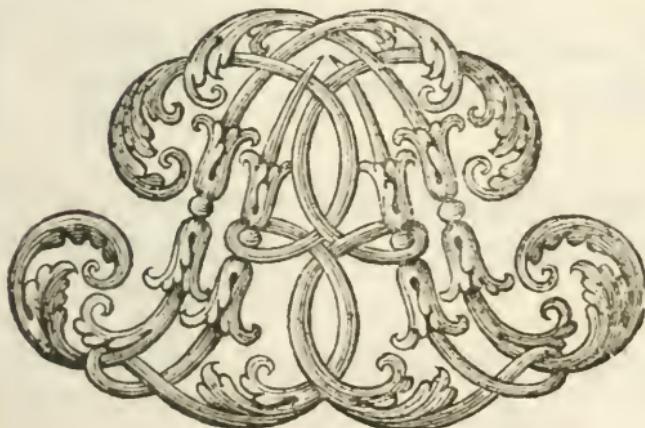
QUEEN'S UNIVERSITY
AT KINGSTON

KINGSTON ONTARIO CANADA



General MAXIMS
IN
TRADE,
Particularly applied to the
COMMERCE
BETWEEN
GREAT BRITAIN
AND
FRANCE.

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ДОДАЯТ
СОЛНЦЕМ
ЧАСТЬ АВВАД
ДОДАЯТ



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ЧАСТЬ АВВАД

General MAXIMS in TRADE, particularly ap- plied to the COMMERCE between *Great Britain* and *France*.

THREE are general Maxims in Trade which are assented to by every Body.

That a Trade may be of Benefit to the Merchant and injurious to the Body of the Nation, is one of these Maxims.

I shall confine my self to speak of Trade, only as it is Nationally Good or Bad.

I. **T**HAT Trade which exports Manufactures made of the sole Product or Growth of the Country, is undoubtedly Good; such

such is the sending abroad our *Yorkshire Cloth*, *Colchester Bays*, *Exeter Serges*, *Norwich Stuffs*, &c. Which being made purely of *British Wooll*, as much as those Exports amount to, so much is the clear Gain of the Nation.

II. That Trade which helps off the Consumption of our Superfluities, is also visibly advantageous; as the exporting of *Allum*, *Copperas*, *Leather*, *Tin*, *Lead*, *Coals*, &c. So much as the exported Superfluities amount unto, so much also is the clear National Profit.

III. The importing of foreign Materials to be manufactured at home, especially when the Goods, after they are manufactured, are mostly sent abroad, is also, without Dispute, very beneficial; as for Instance *Spanish Wooll*, which for that Reason is exempted from paying any Duties.

IV. The Importation of foreign Materials to be manufactured here, although the manufactured Goods are chiefly consumed by us, may also be beneficial; especially when the said Materials are procured in Exchange for our Commodities; as *Raw-Silk*, *Grogram-Yarn*, and other Goods brought from *Turkey*.

V. Foreign Materials, wrought up here into such Goods as would otherwise be imported ready manufactured, is a Means of saving Money to the Nation; and if saving is getting, that Trade which procures such Materials ought to be look'd upon as profitable: Such is the Importation of *Hemp*, *Flax*, and

Raw-

Raw-Silk ; 'tis therefore to be wondered at, that these Commodities are not exempt from all Duties, as well as *Spanish* Wooll.

VI. A Trade may be call'd good which exchanges Manufactures for Manufactures, and Commodities for Commodities. *Germany* takes as much in Value of our Woollen and other Goods, as we do of their Linnen : By this Means Numbers of People are employ'd on both Sides, to their mutual Advantage.

VII. An Importation of Commodities, bought partly for Money and partly for Goods, may be of National Advantage ; if the greatest Part of the Commodities thus imported, are again exported, as in the Case of *East India* Goods : And generally all Imports of Goods which are re-exported, are beneficial to a Nation.

VIII. The carrying of Goods from one foreign Country to another, is a profitable Article in Trade : Our Ships are often thus employ'd between *Portugal*, *Italy*, and the *Levant*, and sometimes in the *East-Indies*.

IX. When there is a Necessity to import Goods which a Nation cannot be without, although such Goods are chiefly purchased with Money, it cannot be accounted a bad Trade ; as our Trade to *Norway* and other Parts, from whence are imported Naval Stores and Materials for Building.

But

But a Trade is disadvantageous to a Nation,

1. Which brings in Things of meer Luxury and Pleasure, which are intirely, or for the most Part, consumed among us ; and such I reckon the Wine Trade to be, especially when the Wine is purchased with Money and not in Exchange for our Commodities.

2. Much worse is that Trade which brings in a Commodity that is not only consumed amongst us, but hinders the Consumption of the like Quantity of ours : As is the Importation of Brandy, which hinders the spending of our Extracts of Malt and Molasses ; therefore very prudently charged with excessive Duties.

3. That Trade is imminently bad, which supplies the same Goods as we manufacture ourselves, especially if we can make enough for our Consumption : And I take this to be the Case of the Silk Manufacture ; which, with great Labour and Industry, is brought to Perfection in *London, Canterbury, and other Places.*

4. The Importation upon easy Terms of such Manufactures as are already introduc'd in a Country, must be of bad Consequence, and check their Progress ; as it would undoubtedly be the Case of the Linnen and Paper Manufactures in *Great Britain*, (which are of late very much improved) if those Commodities were suffered to be brought in without paying very high Duties.

Wise Nations are so fond of encouraging Manufactures in their Infancy, that they not only burthen foreign Manufactures of the like Kind with high Impositions, but often totally condemn and prohibit the Consumption of them.

To bring what hath been already said into a narrower Compafs, it may be reduced to this, *viz.*

That the Exportation of Manufactures, is in the highest Degree beneficial to a Nation.

That the Exportation of Superfluities, is so much clear Gain.

That the Importation of foreign Materials to be manufactured by us, instead of importing manufactured Goods, is the saving a great deal of Money.

That the exchanging Commodities for Commodities, is generally an Advantage.

That all Imports of Goods which are re-exported, leave a real Benefit.

That the letting Ships to freight to other Nations, is profitable.

That the Imports of Things of absolute Necessity, cannot be esteemed bad.

That the importing Commodities of meer Luxury, is so much real Loss as they amount to.

That the Importation of such Goods as hinder the Consumption of our own, or check the Progress of any of our Manufactures, is a visible Disadvantage, and necessarily tends to the Ruin of Multitudes of People.

Having premised thus far in Relation to Trade in general, and made it evident that there are several Ways of Trading advantageous to a Nation, and others which are not so. I shall now examine which of these beneficial or hurtful Ways to us the *French* Trade doth answer, and then draw the Ballance at the Foot of the Account.

I. The Exportation of our Woollen Goods to *France*, is so well barr'd against, that there is not the least Hope of reaping any Benefit by this Article.

The *French* did always out-do us in Price of Labour: Their common People live upon Roots, Cabbage, and other Herbage; four of their large Provinces subsist intirely upon Chestnuts; and the best of them eat Bread made of Barley, Millet, *Turkey* and black Corn; so that their Wages used to be small in Comparison with ours.

But of late Years their Crown-Pieces being made of the same Value as ours, and rais'd from sixty to one hundred Sols; and the Manufacturers, Servants, Soldiers, Day-Labourers, and other working-People, earning no more Sols or Pence by the Day than they did formerly, the Price of Labour is thereby so much less'd, that one may affirm for Truth, they have generally their Work done for half the Price we pay for ours. For although Provisions be as dear at *Paris* as they are at *London*,

don, 'tis certain that in most of their Provinces they are very cheap; and that they buy Beef and Mutton for half the Price we pay for it here.

But the Price of Meat and Wheat doth little concern the poor Manufacturers; as they generally drink nothing but Water, and at best a sort of Liquor they call *Beuverage* (which is Water pass'd through the Husks of Grapes after the Wine is drawn off) they save a great deal upon that Account: For 'tis well known that our People spend Half of their Money in Drink.

The Army is a notorious Instance how cheap the *French* can live: It enables their King to maintain 300000 Men with the same Money we maintain 112500. Their Pay being five Sols a Day (which is exactly three Pence *English*) and our Soldiers Pay is eight Pence.

However, they subsist upon that small Allowance; and if there be the same Disproportion between our Manufacturers and theirs, as there is betwixt our Soldiers and their Soldiers as to Pay, 'tis plain that the Work in *France* is done for little more than a third Part of what it is done for in *England*: And I am confident 'tis so in most Part of their Manufactures, of which I could give many Instances if it were needful; but let these two following at present suffice.

At *Lyons*, which next to *Paris* is the best City in *France*, they pay nine Sols an Ell for

making of Lustrings, which is little more than five Pence *English Money* ; and the Price paid here for making Lustrings is twelve Pence *per Ell*.

In the Paper Manufacture abundance of People are employ'd for sorting Rags in the Mills, who earn in *France* but two Sols a Day, which is less than five Farthings of our Money ; and the Price paid here for such Work, is four Pence a Day.

The *French* working thus cheap, 'tis no Wonder if they afford their Manufactures at lower Rates than their Neighbours.

But to leave no Room for Doubt in a Matter of so great Importance, several Merchants have brought over from *France* Patterns of their Woollen Goods, with the Prices they are sold at ; and it appears that in general they are, Goodness for Goodness, cheaper than ours : Their Cloth made of *Spanish Wooll*, which is brought to great Perfection, is sold in the Shops for sixteen to seventeen Livres the Ell, (which is a Yard a Quarter and an Inch) and as a *French Livre* is exactly worth one of our Shillings, they sell the Ell there as cheap as we sell here the Yard, which is twenty five *per Cent.* difference.

And if what is own'd on all Hands be true, that the *French* do send great Quantities of Woollen Goods to *Italy*, *Spain*, *Portugal*, *Turkey*, the *Rhine*, and other Places, although they pay a Duty upon Exportation ; 'tis a Demonstration

stration that they have more than is sufficient for their own Wear, and consequently no great Occasion for any of ours.

Objection. What need the *French* limit the Importation of our Cloth, &c. to three Places, subject it to strict Visitations, and insist to continue a high Duty upon it, if they have enough of their own, and can afford it cheaper than we?

Answer. By the long Interruption of Commerce and Correspondence between the two Nations, the *French* knew as little the Price of our Commodities as we did the Price of theirs; and being extreamly jealous of their Manufactures, they would not give way to any the least thing that could prejudice them: In short, they had a Mind to be secured against all Events.

Have not we done the like in the self same Case? We out-do, in our own Thoughts, all the World in the Woollen-Manufactures; but not depending upon this single Advantage of working better than others, we have laid very high Duties upon all foreign Woollen-Goods, and even prohibited them. And 'tis well we did so! for else the *French* would have made our Hearts ake since the Peace, by their great Importation of Woollen Goods upon us.

But they are so well apprised of the Matter now, and know the Advantage they have over us in Point of Cheapness, that I don't doubt they will give us Leave to import into *France* not only Woollen Goods, but all other

ther Commodities whatsoever upon very easie Duties, provided we permit them to import into *Great Britain* Wines, Brandies, Silks, Linnen, and Paper, upon paying the same Duties as others do. And when that's done, you'll send little more to *France* than now you do, and they'll import into *Great Britain* ten times more than now they can.

II. As to the other Products of our Land, I mean our Superfluities, it must be own'd the *French* have Occasion for some of them, as Lead, Tin, Leather, Copperas, Coals, Allum, and several other things of small Value, as also some few of our Plantations Commodities: But these Goods they will have whether we take any of theirs or no, because they want them; as they were supplied with them during the War by Way of *Italy* and *Flanders*, and paid us a little more Money for them than now they do, when they can have them at the first Hand in *England*. All these Commodities together that the *French* want from us, may amount to about 200000*l.* yearly.

III. As to Materials; I don't know of any one sort useful to us that ever was imported from *France* into *England*. They have indeed Hemp, Flax, and Wooll, in abundance; and some Raw-Silk; but they are too wise to let us have any, especially as long as they entertain any Hopes we shall be so self-denying, as to take those Materials from them after they are manufactur'd.

IV. Exchanging Commodities for Commodities (if for the like Value on both Sides) might be beneficial ; but 'tis far from being the Case between us and *France* : Our Ships went constantly in Ballast (except now and then some Lead) to *St. Malo*, *Morlaix*, *Nantes*, *Rochelle*, *Bourdeaux*, *Bayone*, &c. and ever came back full of Linnen, Wines, Brandy and Paper : And if it was so before the *Revolution*, when one of our Pounds Sterling cost the *French* but thirteen Livres, what are they like to take from us (except what they of Necessity want) now that for each Pound Sterling they must pay us twenty Livres, which enhances the Price of all *British* Commodities to the *French* above fifty per Cent.

V. Goods imported to be re-exported, is certainly a National Advantage ; but few or no *French* Goods are ever exported from *Great Britain*, except to our Plantations ; but are all consumed at Home ; therefore no Benefit can be reap'd this Way by the *French* Trade.

VI. Letting Ships to freight cannot be but of some Profit to a Nation ; but 'tis very rare if the *French* ever make use of any other Ships than their own : They victual and mann cheaper than we, therefore nothing is to be got from them by this Article.

VII. Things that are of absolute Necessity cannot be reckon'd prejudicial to a Nation ; but *France* produces nothing that is necessary, or even convenient, or but which we had better be without, except *Claret*.

VIII. If

VIII. If the Importation of Commodities of meer Luxury, to be consumed amongst us, be a sensible Disadvantage, the *French* Trade, in this particular, might be highly pernicious to this Nation: For if the Duties on *French* Wines be lower'd to a considerable Degree, the least we can suppose would be imported into *England* and *Scotland* is 18000 Tons a Year, which being most Clarets, at a moderate Computation, would cost in *France* 450000*l.*

IX. As to Brandy; since we have laid high Duties upon it, the distilling of Spirits from Malt and Molasses is much improved and encreas'd, by Means of which a good Sum of Money is yearly saved to the Nation; for very little Brandy hath been imported either from *Italy*, *Portugal*, or *Spain*, by reason that our *English* Spirits are near as good as those Countries Brandies: But as *French* Brandy is esteem'd, and is indeed very good, if the extraordinary Duty on that Liquor be taken off, there's no Doubt but great Quantities will be imported. We'll suppose only 3000 Tons a Year, which will cost *Great Britain* about 70000*l.* yearly, and prejudice besides the Extracts of our own Malt Spirits.

X. Linnen is an Article of more Consequence than many People are aware of: *Ireland*, *Scotland*, and several Counties in *England*, have made large Steps towards the Improvement of that useful Manufacture, both in Quantity and Quality; and with good Encouragement

couragement would doubtless, in a few Years, bring it to Perfection, and perhaps make sufficient for our own Consumption; which, besides employing great Numbers of People and improving many Acres of Land, would save us a good Sum of Money, which is yearly laid out abroad in that Commodity. As the Case stands at present it improves daily; but if the Duties on *French* Linnen be reduc'd, 'tis to be fear'd it will come over so cheap, that our Looms must be laid aside, and 6 or 700000*l.* a Year be sent over to *France* for that Commodity.

XI. The Manufacture of Paper is very near a-kin to that of Linnen. Since the high Duties laid on foreign Paper, and that none hath been imported from *France*, where 'tis cheapest, the making of it is increased to such a Degree in *England*, that we import none of the lower Sorts from abroad, and make them all our selves: But if the *French* Duties be taken off, undoubtedly most of the Mills which are employed in the making of white Paper, must leave off their Work, and 30 to 40000*l.* a Year be remitted over to *France* for that Commodity.

XII. The last Article concerns the Silk Manufacture. Since the late *French* Wars 'tis increased to a mighty Degree, *Spittlefields* alone manufactures to the Value of two Millions a Year, and were daily improving, till the late Fears about lowering the *French* Duties. What pity! That so noble a Manufacture, so ex-

tensive and so beneficial to an infinite Number of People; should run the Hazard of being ruined ! 'Tis however to be feared, that if the French can import their wrought Silks upon easy Terms, they out-do us so much in Cheapness of Labour, as hath been already shewed, and they have *Italian* and *Levant* Raw-Silk upon so much easier Terms than we, besides great Quantities of their own in *Provence*, *Languedoc* and other Provinces, that in all Probability half the Looms in *Spittlefields* would be laid down, and our Ladies be again cloathed in French Silks ; the Loss that would accrue to the Nation by so great a Mischief, cannot be valuéd at less than 500000*l.* a Year.

To Sum up all ; if we pay to *France* yearly,

For their Wines	450000.
For their Brandies	70000.
For their Linnen	600000.
For their Paper	30000.
For their Silks	500000.
	1650000.

And they take from us in Lead, Tin, Leather, Allum, Copperas, Coals, Horn Plates, &c. and Plantation-Goods, to the Value of } 200000.

Great Britain loses by the Balance of that Trade yearly } 1450000.

Which

Which seems unavoidable, if we are so good-natured as to take off the high Duties ; the only Fence we have left against an Inundation of *French* Commodities upon us.

If any Body thinks fit to object against these Papers, that there are many Commodities that used to be sent to *France*, of which there's no Notice taken here ; I desire them to give a List of those Commodities not only by Name, but to put the Quantities which they judge are like to be exported, and their Valuation : And I promise them in return another List of many Commodities I have omitted, which would certainly be imported from *France* upon lowering the Duties, with the probable Quantities of each Sort, and their Cost on board there ; and I dare answer, I shall be even with them upon that Score ; having here for Brevity's Sake mentioned only such Commodities as are most considerable. Thus perhaps by making accurate Estimates and Calculations of all Commodities that can be exported to *France*, or brought over from thence, shall we come to a right Understanding of the Matter ; and what the Trade between *Great Britain* and *France* is like to be in case the Duties be taken off.

All the Nations of *Europe* seem to strive who shall out-wit one another in point of Trade, and they concur in this Maxim, That the less they consume of foreign Commodities, the better it is for them.

The *Dutch* to obviate too great a Consumption of foreign Goods amongst them, make use

of Excises, and they have for that Reason laid a very high Excise upon *French* Wines.

The *French* study to prevent it, by Duties of Importations, Duties on Consumptions, Tolls from one Province into another, by strict Visitations, Restraints and Prohibitions, and by the Example of the Court in wearing their own Manufactures.

We have of late Years saved a great deal of Money, by laying high Duties upon foreign Commodities, which hath not only hindered their too great Consumption among us, but hath had this good Effect besides ; that it hath given Encouragement to the settling, improving and perfectionating many useful Manufactures in *Great Britain*. So that we must be out of our Senses if we permit the *French* to import their Manufactures to the Prejudice and Destruction of our own.

We are now, God be praised, in Peace and Friendship with the *French* ; we have a free Correspondence and Commerce with them : They do and will take from us what they want, and 'tis all we can expect or desire of them.

We may freely import their good Claret, and have it upon reasonable Terms, if we do not buy it in too great Quantities. And as for their Manufactures, 'tis undeniably we had better be without them, since they must be purchased with our ready Money ; for their Cloth and other Woollen Goods being cheaper than ours, they cannot take any from us if they would, in Compensation for their Silks, Paper, and

and Linnen ; and as they take nothing but what they want, they ought not in Reason to expect we should take from them what we have no manner of Occasion for.

As it is very requisite that those who are to deal with another Nation should have a perfect Knowledge of their Weights, Measures, Customs, and Moneys, and there having been a remarkable Alteration in the *French* Coins since we had any Dealings with them, which is the thing of the utmost Moment in Commerce, I shall beg leave to subjoyn here an Account of their Coin as it stands at present, and in all Probability is like to stand ; that we may know what we are to pay for their Goods, and what they are to pay for ours.

The *French* Crown-Piece is exactly now of the same Goodness and intrinsick Value as the *English* Crown-Piece. It goes in *France* for five Livres, and each Livre for twenty Sols, so that each Crown-Piece goes there for one hundred Sols or Pence.

Our Crown-Piece goes for five Shillings, each Shilling for twelve Pence, so that our Crown-Piece goes here for sixty Pence.

As there is five Livres in their Crown, and five Shillings in our Crown, and that they are both of equal Weight and Value, a Shilling is exactly worth a Livre, and a Livre a Shilling. I beg pardon for being thus exact to a Nicety in this particular, but I think the Fate of *Great Britain*, in Point of Trade, doth in a great Measure depend upon it.

Before

Before the War, if I bought any Commodity in *France* which cost me a *Livre*, I paid eighteen Pence *English* for it, as is well known to every Body that had Dealings there ; if I buy now the same thing in *France* for a *Livre*, I pay but one Shilling for it, by which means all their Manufactures are rendered so very cheap to us, that if there was but moderate Duties upon their Importation, we should immediately be over-whelmed with *French* Commodities. For as their Work-men receive no more Sols or Pence for their Days-work or Wages than they did formerly, they sell their Cloth, Paper, and Linnen for no more Sols than they used to do : Therefore if I bought heretofore an Ell of Linnen for a *Livre*, it cost me then eighteen Pence, and now buying an Ell of the same Linnen for a *Livre* still, it costs me but one Shilling.

On the contrary, when the *French* bought any thing of us before the War, if it cost them one Pound Sterling, they paid but thirteen *Livres* for it ; and if they buy now the same thing for one Pound Sterling, they pay twenty *Livres* : Which renders every Commodity we have so very dear to them, that 'tis hardly possible they should take any thing from us, but what they have an absolute Necessity for.

For if they bought formerly a Yard of Cloth here for fifteen Shillings, they paid but nine *Livres* three Quarters for it ; and if they buy now here a Yard of the same Cloth for fifteen Shillings, they must pay fifteen *Livres* : Which as

as said before, renders our Manufactures excessive dear to them, and their Manufactures exceeding cheap to us.

In short, all Kinds of *French* Manufactures that were heretofore purchased in *France*, either by Natives or Strangers, for one Ounce and a half of Silver, the same Quantity and Goodness is there purchased now by Natives and by Strangers for one Ounce of Silver. And whatever the *French* used to purchase in foreign Parts with three Livres, they must now give four Livres and an half for it.

I have purposely neglected to take Notice of what Prejudice the *French* Trade may be to us in Relation to our Exports to *Portugal*, *Italy*, *Turkey* and *Hambourgh*; for that will afford ample Matter to be the Subject of another Discourse.

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General maxims in trade,
particularly applied to ...

